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New York herald

The tariff in your pocket-book

[New York]

c1922

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THE TARIFF IN YOUR POCKET-BOOK

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Certain Effects of the Proposed Fordney-McCumber Tariff on the Cost of Living

Sep May 28, 1923
#1

THE FORDNEY-McCUMBER TARIFF

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Editorials Reprinted From
THE NEW YORK HERALD

FOREWORD

THE study and experience of a lifetime is necessary to learn one business or one profession well. This much we consider axiomatic except when applied to those rare individuals whose genius transcends restraint and encompasses many realms of human endeavor.

Yet to-day, in a period burdened with the hot passions of world strife, slowly cooling, with the economic fabric of the nation and the world still rent by cross-currents of political expediency, we have the spectacle of the Congress of the United States, composed mostly of specialists in the legal profession, dictating outrageous and shortsighted tariff schedules regardless of all the immutable facts of trade and economics.

The wisdom and experience of world bankers and of trained economists is brushed aside with a gesture and a demagogic reference to "self-interest." Senators malign newspapers that oppose their folly. And proposed tariff schedules mount higher and higher.

And the Congress of the United States dares do this because the American citizen in common with all other citizens is a specialist. He knows his own trade, profession or business and he knows it well. When his business is milling, he knows how tariff schedules will affect wheat and flour from both the standpoints of national welfare and self-interest, but it is beyond the realm of human possibility for him to know equally well how proposed duties will affect gloves, shoes, fertilizers, potatoes, books or paintings.

Realizing these facts The New York Herald is publishing a series of editorials on the proposed Fordney-McCumber tariff and the tariff makers. Many of these editorials are primarily A. B. C. lessons in tariff making and in the certain effects the proposed rates will have on prices of particular commodities. They are written for the enlightenment of intelligent readers whose experience necessarily has not encompassed all ramifications of the diverse industries of the United States. They are written as well to carry on the fight against the stupid shortsightedness or the wilful disregardlessness of the Fordneys and McCumbers; tariff makers by accident of an inefficient system.

To further these aims and to call attention to the sturdy character of The Herald's editorial policies, of which the tariff issue is only one example, some of these editorials are reprinted on the following pages.

FOREWORD

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THE NEW YORK HERALD

THE HERALD'S TARIFF STAND

THE "American Economist," which is the organ of the American Tariff League, is pained by the position of The New York Herald toward the Fordney-McCumber tariff makers. The "American Economist" thinks that The New York Herald "returns to its first love," Free Trade, "the faith in which it was established by James Gordon Bennett, the elder, and maintained by James Gordon Bennett, the younger." And the "American Economist" sees The New York Herald "as pronouncedly opposed to the protective tariff as it was under the Bennett régime."

What The New York Herald was in respect of political policies, economic principles or anything else under its former ownerships has nothing to do with its principles and policies under its present ownership. As a matter of fact, the owner of The New York Herald is, always has been and always expects to be a believer in a sound, rational, workable protective tariff for American industries and American labor.

The New York Herald reflecting the protective principles and convictions of its owner, is a consistent and steadfast advocate of the American tariff system. But the owner of The New York Herald cannot stand for damn fool protectionism and The New York Herald will not stand for it.

MEND THE TARIFF MAKING SYSTEM

NOBODY in his economic senses, or, for the matter of that, in his political senses, can question the imperative need of the reform in making tariffs urged by Senator Frelinghuysen with his amendment to the McCumber measure. He says, and says truly, that there never has been a time when any tariff, Republican or Democratic, was made with an exact knowledge of all the facts in the country's situation.

This was bad enough under normal conditions when great tariff students in Congress, men of natural brain power and broad experience, were intrusted with the responsibility of writing tariff schedules for American industry and the American public. It is a positive menace now, when industrial and financial conditions are in chaos over the greater part of Europe and when the responsibility of meeting the great problem in our Congress has fallen into the hands of economic charlatans, political tricksters and sordid log rollers.

We Need A Tariff Commission

If the country does not get the services of the kind of permanent tariff commission Senator Frelinghuysen proposes in his amendment, if that commission is not vested with powers enough to let it master the facts and technicalities of world economic conditions, along with the true situation of American industry and business, and if Congress lawmakers are not willing to construct tariffs on the basis of the fundamental facts and the technical conditions presented by the expert work of such a commission—if this reform does not come and come at once to replace the present unsound and dangerous system of making tariffs then the country is in a fair way to go on the tariff rocks.

Aside and apart from the question of whether it is now too late to rid the Fordney-McCumber measure of its tariff excesses and save the country from the perils they threaten, the Frelinghuysen proposal must appeal to Republicans and Democrats alike who are sound in their heads and honest in their public conduct. It is for a party to determine its tariff policy, whether it is to be a high or a low tariff, a tariff merely on manufactures, a tariff for protection or a tariff for revenue only. It is for the voters of the United States to accept the party policy they wish to have put into force.

But whether it is a low tariff policy, a high tariff policy or whatever kind of policy that is to be carried out, no party in control of the Government can ignore the facts and defy the laws of economics without making a wretched botch out of its tariff measure.

Have the Party Leaders Gone Crazy?

In the United States to-day there are Republicans and protectionists by the hundreds of thousands who are asking one another whether the party leaders in Congress have gone crazy over the tariff. There are Republicans and protectionists by the tens of thousands who believe that the Fordney-McCumber tariff will destroy their party. This is becoming a national sentiment which is immeasurable in its political possibilities.

In such desperate circumstances it is time for all Republicans in Congress who have not lost their senses over the tariff to try to save the day, not merely with the admirable and necessary principles of the Frelinghuysen amendment but with opposition to the Fordney-McCumber monstrosities to the last ditch.

THE TARIFF ON YOUR HANDS

WOULD you know how a tariff is made and how it works out in what it costs you in cold cash? Perhaps you will find interest in the glove schedule, since everybody wears gloves.

It was long ago discovered by wise and experienced tariff rate makers like McKinley, Dingley and Aldrich, after deep study and thorough understanding of the American glove industry, that for gloves the so-called specific duty was the simplest and the most practical. It was agreed by these men of conspicuous tariff ability, and the practice of years proved they were right, that in normal conditions a specific duty of $2 to $3 a dozen was about right for gloves.

Defines a Specific Duty

The specific duty is a fixed sum of American money collected as a customs duty on any given article of a certain quality and description imported from any country. The merits of such a duty are that it exacts from every like importation the same amount of duty whether its foreign cost of production is high or low; it collects the same amount of duty whether foreign exchange is stable or whether it fluctuates widely, and it prevents the Treasury from being defrauded by undervaluation. Undervaluation is the dishonest practice of swearing that a dutiable imported article cost less abroad than it actually did cost.

The obvious defect of the specific duty as a protective measure is that under a heavily falling foreign cost of an article or a heavily falling foreign exchange the American producer gets less and less protection through the specific duty so long as the foreign cost or foreign exchange continues to fall.

Thus in women's gloves, the importations of

which are almost wholly from France, the Paris price may be 100 francs a dozen. Under normal exchange the Paris cost would be $19.30 and a fixed tariff rate of $2 would make the cost here $21.30, not counting transportation charges, insurance, interest, &c. But with francs worth approximately nine cents in American money, the Paris cost to our importer would be only $9, which with the $2 specific duty added would make the cost laid down in New York $11.

The American producer, in other words, would be armed by the tariff on gloves to meet a foreign competitive drive of some $21. As a matter of fact, however, because of the French exchange conditions, he would be compelled to face a foreign competitive price of only about half that $21.

It was an abnormal development of exactly this kind which made it necessary for Congress revisers of the present tariff to do something to correct the situation. But it is one thing to remedy a trouble; it is quite another thing to make out of it a worse evil.

Correcting an Abnormal Development

Examine the new glove duties under the Fordney schedules and the McCumber amendments and you will gather some idea of how the tariff makers have muddled and bedeviled the general tariff legislation. And, first, let it be remembered that in the past thirty years and more the specific tariff rates on women's kid gloves have been: McKinley, $3.25 a dozen; Wilson, $2.25; Dingley, $3; Aldrich, $3; Underwood, now in effect, $2.

The Senate Finance Committee's rates are $4 on women's gloves and $5 on men's gloves, but with this extraordinary qualification: "provided the rate of duty is not less than 60 per cent. or

more than 70 per cent. ad valorem." That is to say, the duty collected on the woman's gloves costing 100 francs a dozen must never be less than $4, even though the franc might fall to an exchange value of one cent in American money.

But under the sweeping catchall provision "not less than 60 or more than 70 per cent." the added duty paid beyond $4 would go up as the exchange value of the franc went up, and this, from the protective point of view, is putting the cart before the horse. It does not provide the protective duty when it is most needed. It piles it sky high when it is not needed.

Senator Smoot, with his natural economic sense, suggested a sane plan to equalize exchange fluctuations. He proposed that 1 per cent. be added to the basic rate for each 1 per cent. of depreciation in any foreign currency. This of course would give a perfectly stable protection, the ad valorem duty going up beyond the specific $4 as foreign money went down and sinking back again toward $4 as the foreign money went up.

A Duty Positively Prohibitive

But as the matter now stands, under the slapdash strokes of the present tariff makers, the duty can be almost anything above $4, becoming positively prohibitive as French exchange, say, returns toward normal, as it is doing and will do. Take concrete examples, both as to comparisons of new rates with old and as to possible variations under exchange fluctuations.

Ignoring for the moment the Fordney American valuation plan, we see that the woman's glove costing 150 francs a dozen in Paris means, at a 9 cent franc, $13.50. On this the present Underwood rate is $2. The Fordney rate at 37½ per cent., without his valuation plan, would be $5.06. The Senate rate at 60 per cent. would be $8.10.

But when the franc gets up to 12 cents in American exchange value the gloves at 150 francs in Paris will cost $18 and the duty here at 60 per cent. will be $10.80. When the franc gets back to normal, 19.3 cents, the Paris cost will be $28.95 and the duty here $17.37.

Think of a McCumber duty of $17.37 on gloves under perfectly normal exchange conditions as against the duty of $2 for the last nine years, and as against a duty of $3 under the Aldrich tariff and of $3.25 even as far back as 1890 under the duties of McKinley, who was regarded as the apostle of extreme protection.

And that is not all. Under the Fordney valuation scheme the proposition could work out to the following dumfounding results as figured by wholesalers and retailers, the tables now being before the Congress tariff makers: Cost of gloves in Paris, normal exchange, $28.95; landing charges, 50 cents; duty (Fordney scheme), 37½ per cent. of American valuation, $23.25; profit, 15 per cent., $9.30; retail markup, 33 1-3 per cent. on the foregoing total of $62 to cover profit, wages, delivery costs, rent and all other overhead, $21; grand total, $83—nearly $7 a pair retail! This $7 a pair on a glove costing in Paris, even at normal exchange, $2.41.

Dumfounding Results of Proposed Rates

This is not an act that can please a friendly nation like France, although France may only protest against it in polite amazement. But it is an act that will unanimously arouse American women whose glove bills are a very important item of constant expense, and it will be a political miracle if they do not bitterly resent it with their votes all over the country.

The new glove tariff indeed threatens to be a burdensome tax load on everybody's hands!

THE TARIFF ON YOUR FEET

UNTIL the Fordney-McCumber reign of tariff frenzy the most reckless makers of inordinate customs duties shrank from loading down the feet of the American people with tariff weights. What Underwood did not do nine years ago, even Payne did not dream of doing twelve years ago. Truth to tell, even Fordney, with all his tariff madness, dared not do it.

But when the Fordney measure reached the Senate Finance Committee McCumber threw off the tariff brakes. Hides—and imported hides, because this country does not normally produce one-half the quantity consumed here—are the basic factor in determining the cost of leather and shoes. It had been a traditional policy of American protection that because of this fundamental fact the raw material going into shoes must never be tariff taxed to burden American feet.

Perpetual Motion Child Kicks Out a Pair of Shoes a Month

The average live, sturdy, perpetual motion American child can kick out a pair of shoes in a month. Millions of American workmen have in the family from three to a dozen live, sturdy, perpetual motion children capable of breaking up shoes at the rate of a pair a month each. The annual shoe bill of such families of American workmen is at best a heavy and painful load. So it came to be a national axiom even with high protectionists: "Never touch with any tariff the shoes of the American workman's family!"

But McCumber, self-consecrated to smashing all tariff records to atoms, was moved to sacrifice 110,000,000 American wearers of shoes to the interests of a few hundred slaughter pens and packing houses, two thirds of all the American hides that go to the tannery coming from these few great slaughter pens and packing concerns.

McCumber put a duty of two cents a pound on green hides and four cents a pound on dried hides, although the Fordney and the Payne-Aldrich, like the Underwood tariff had left them free.

McCumber put a duty of twelve cents a pair and five per cent. ad valorem on "boots and shoes, chief value, of hides of cattle of bovine species," although even Fordney, like Underwood, had left them free.

McCumber put a duty of 40 per cent. on "boots, shoes or other footwear, the uppers of which are composed, chief value, of wool, cotton, etc.," although there was no corresponding provision in either the Underwood tariff law or the Payne-Aldrich tariff law.

McCumber made a hide and leather and shoe tariff the full cost of which to the American people in shoes alone nobody can precisely state now in mathematical terms. Nobody can state it exactly because such duties were so absolutely undiscoverable and unheard of in previous tariff legislation that there is nothing in past schedules and nothing in the shoe and leather business on which to base comparisons.

Height of Rate Defies Comparisons

But one thing everybody in the hide and leather industry does know. It is that under normal conditions only half the quantity of hides, in round numbers, required to meet the American leather demand can be produced in this country. So the other half of our required hides must continue to come into the country, duty or no duty, because the American people cannot go barefoot.

Another thing everybody in the industry knows is that under normal conditions cost is added by the McCumber duty to the imported hides that are half of our required supply is going to be

added in price to the other half of our required hides that are produced in this country. This must be the fact because the slaughter pen and packing house dealing in the domestic hides are not going to sell their half in this market for four cents a pound less than the foreign hides are sold for in this market.

Indeed, if the McCumber tariff should put up the price of foreign hides a dollar a pound in this market the McCumber tariff would put up the price of domestic hides a dollar a pound. That is exactly why the McCumber tariff is made as it is made by the chairman of the Senate Finance Committee.

Still another thing is certain about this McCumber duty on hides. It is that measured by the number and weight of foreign hides that come into the country under normal conditions and must continue to come in so long as the McCumber tariff does not drive the American people to walk and work in their naked feet—measured by those figures, the added burden of this duty on hides alone cannot be figured by the most conservative men in the leather industry at less than $100,000,000 a year.

Added Burden of $100,000,000 a Year

What the duty on shoes might pile on top of that extra hide cost to the American people of at least $100,000,000 a year nobody can now say. We must wait for the staggering returns of this monstrous duty on hides and shoes before we can count the full cost.

Meanwhile the American foot, taxed beyond endurance by the irrational McCumber tariff, can swing its whole power to boot such a tariff through the Capitol dome.

THE TARIFF IN YOUR COFFEE CUP

THE tariff in your coffee and in your tea, in every sweet thing used on your table or anywhere, the tariff in every household in the country—that is a tariff which comes home to every one of you!

In half a century the per capita consumption of sugar in the United States has risen from eighteen pounds a year to ninety pounds. This in round numbers is an average of 450 pounds a year for every family in the United States. But this vast bulk of approximately 10,000,000,000 pounds of raw sugar required annually by the American people is not produced in the United States. Not half of it is produced in the United States, nor is half of it produced in the United States and its colonies and dependencies like Porto Rico, the Philippines and the Hawaiian Islands.

Greatest Part of Our Sugar is Imported

By far the bigger portion of our necessary sugar supply is imported. Cuba alone has sent us in previous years half a million tons more annually—not pounds, tons—than the whole American production.

And this enormous sugar consumption of approximately 450 pounds annually to every family in the United States had been so generally and so wisely regarded as a necessary of life among the American people that even so radical a protective tariff as the Payne-Aldrich measure imposed a rate on full duty sugars of no more than $1.68 a hundred pounds. The rate of the Underwood tariff was $1.25. But the Fordney schedules and the McCumber amendments make the full duty permanently 2 cents a pound, the emergency rate of a year ago.

As under the Reciprocity Treaty of 1902 between the United States and Cuba the latter coun-

try has the benefit of a reduction of 20 per cent. from full duty on sugar delivered in the United States, the rate on sugar from Cuba, whence virtually all our dutiable supply has come, was $1.35 a hundredweight under the Payne-Aldrich tariff. It was $1 under the Underwood tariff enacted nine years ago. It is hoisted up to $1.60 under the Fordney-McCumber tariff.

So the Fordney-McCumber tariff makers raise the rate on virtually all our foreign supply that is dutiable nearly 20 per cent. above the high Payne-Aldrich rate enacted August 5, 1909. Above the Underwood rate enacted nine years ago the Fordney-McCumber tariff makers permanently boost the duty on Cuban sugar 60 per cent.!

Millions of Dollars from Pockets of Consumers

How hard can a rate of two cents a pound on full duty sugars and of 1.6 cents on Cuban sugar hit the pocket of the American people? It depends on the amount of sugar pressing for sale in our market and on the purchasing power of the sugar consumer. But in any event it means tens and tens of millions of dollars.

With a temporary oversupply or a subnormal consumption owing to industrial and business depression sugar, like any other commodity, will be thrown on the market under enforced liquidation, whether at a profit or at a loss to the producer. But when the oversupply is cleaned up or the American demand springs back to normal—in round numbers those 10,000,000,000 pounds of sugar a year—the smaller domestic production will always soar to the price of the larger foreign importation.

The American sugar consumers not only will pay, therefore, the $1.60 a hundred pounds duty on the more than 2,500,000 tons of imported

sugar; they will pay it also, not as duty but as added price, on the 2,000,000 tons of American sugar.

A Little Matter of $160,000,000 a Year for Your Sweets

The national treasury will get, say, $90,000,000 a year out of the pockets of the American people as duty on imported sugars. But the American pockets will disgorge another $70,000,000 because of the Fordney-McCumber sugar tariff in the extra price of domestic sugar.

Just a little matter on the single item of sugar for your tea and coffee and other sweets, of $160,000,000 a year. That is all the Fordney-McCumber tariff makers want to do to you with their sugar duties.

FORDNEY-McCUMBER POTATO BILLS

LIKE sugar and bread, the humble white potato is of vital interest to American consumers. Of big food value and unsurpassed in its popularity with the American public, the potato is always in every household in the United States.

The potato crop of the United States runs from 300,000,000 to more than 400,000,000 bushels a year. Although there are fair exports of American potatoes, there have been and are also considerable imports of foreign potatoes into the country. The average consumption by American families may be approximately estimated at a million bushels every day in the year.

Potatoes under the Underwood tariff were free for upward of nine years. Under the high Payne-Aldrich tariff before that the duty on potatoes was 25 cents a bushel. By the emergency tariff act, a year ago, a temporary duty was imposed of 25 cents a bushel.

Proposed Tariff on Potatoes 35 Cents a Bushel

The Fordney-McCumber tariff makers have dished up for American consumers a potato duty of 58 cents a hundred pounds. This 58 cents a hundred pounds in the Fordney-McCumber tariff is just about 35 cents a bushel—a 40 per cent. increase over the high Payne-Aldrich tariff.

On a million bushels of potatoes consumed a day 35 cents a bushel runs up to the neat total of $350,000—just potatoes, every single day in the year!

For 365 days in the year a national potato bill of $350,000 a day reaches the magnitude of $127,750,000.

Yes, potatoes. Nothing but potatoes. Spuds. That's the way the Fordney-McCumber tariff makers take care of the American people and their daily food bills.

WHEAT AND THE TARIFF

AMERICAN wheat farmers always have a much larger crop than the people of the United States can consume. It would be a very poor wheat crop that did not yield 200,000,000 bushels more than can be marketed at home. More generally the surplus above our own requirements will be much higher than 200,000,000 bushels. Not infrequently it will be more than 300,000,000 bushels. Rarely it will top 400,000,000 bushels.

If American wheat could not be sold abroad in many cargoes any crop much bigger than a famine crop would be for the American farmer a calamity crop. The reason for this is that the foreign demand — the export wheat — sets the price pace for the domestic consumer to pay.

Foreign Wheat Pays for American Manufactured Articles

Foreign wheat has come into this market for years not only to pay for American manufactures wanted by the country shipping wheat to us but to pay even for American agricultural products other than wheat wanted by such countries.

A year ago, however, Congress enacted the emergency agricultural tariff to restrain foreign wheat and other foreign farm products from coming into this country and selling in our markets against the wheat and other products of the American farmer. The emergency tariff on wheat was fixed at 35 cents a bushel, and it is a stiff hurdle for foreign wheat to get over.

But obviously if an Argentine wheat exporter has to sell abroad 10,000,000 bushels of wheat which he would prefer to sell in the United States to pay for cotton goods and other commodities that Argentina would like to buy here he is not going to lie down and quit with the export sale of his wheat just because our emergency tariff

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bars his wheat out of the American market. If he cannot sell his export wheat here he will sell it somewhere else.

Perhaps the Argentine exporter will sell it in England, perhaps in France, perhaps in Germany—but he will sell it. And when he does sell it in a European market where our export wheat also is trying to sell he still will be selling his wheat against the wheat of our farmers, in spite of the emergency tariff wall set up to protect the American wheat farmer from competition by the foreign wheat farmer.

And if by selling his 10,000,000 bushels of export wheat in England or France or Germany the Argentine shipper stops the sale in England or France or Germany of 10,000,000 bushels of American wheat that our farmers needed to sell there it would seem to be an even break so far as concerns American trade and Argentine trade.

But not quite. The emergency tariff may have lost a 10,000,000 bushel sale abroad for the American farmer while gaining him a 10,000,000 bushel sale at home by keeping out the Argentine wheat, and this may look to be as broad as it is long for the American farmer.

United States Has Lost Trade

Yet if the Argentine wheat, instead of selling here and having the proceeds go into the purchase of American cotton goods and other manufactures, sells in England and the proceeds go into the purchase of English cotton goods and other manufactures, that is not so broad as it is long for this country. The American farmer hasn't gained anything and he hasn't lost anything in the shift; but the country has lost the trade in cotton goods and other manufactures.

Perhaps this can explain to our emergency tariff makers of a year ago and to our Fordney-McCumber tariff makers of to-day why our wheat exports for the week ended May 25 were 5,741,000 bushels, while last year, before the emergency traiff had got down to real business, our wheat exports were 8,200,000 bushels; why for the week ending May 18 this year our wheat exports were 4,800,000 bushels, while last year they were 9,300,000 bushels; why for the week ending April 27 our wheat exports were 3,700,000 bushels, while last year they were 10,400,000 bushels.

Perhaps it can explain why for every single week from April 6 to May 23 our wheat exports this year under the emergency tariff have been very much lower than the wheat exports were for the corresponding weeks last year before the emergency tariff.

Perhaps it can explain why for the forty-seven weeks ending with May 25 last year, before the emergency tariff, our exports of wheat were 51,000,000 bushels more than they have been for the forty-seven weeks this year under the emergency tariff.

One Reason Why Our Exports Look Sick

And perhaps it will explain why various of our exports of manufactures also look sick unto death now under the workings of the emergency tariff as compared with the year before, when there was no emergency tariff.

Perhaps, indeed, the time may come, after longer and more bitter experience with such foreign trade havoc, when it will have penetrated even the heads of the Fordneys and the McCumbers that not the most profitable business in the world for the country is saving at the spigot and wasting at the bunghole. But will it then be too late?

A $200,000,000 SUGAR TAX

THE American people are asked by the tariff makers of the Senate Finance Committee to pay a tariff bill of more than $160,000,000 a year on the sugar they consume. That is what the committee rate of $1.60 a hundred pounds of Cuban sugar will work out when applied to the country's normal consumption of approximately 10,000,000,000 pounds a year.

But the American people will be interested to know that the tariff extremists on the committee really wanted to do worse than that to the sugar consumers of the country. They thought they might as well pile an even $200,000,000 of extra sugar cost upon the American consumer's back.

The original Finance Committee proposal was a duty of two cents a pound on Cuban sugar, which not only is virtually all the sugar imported into this market but is the bulk of the sugar consumed by this country. In strenuous objection to such treatment of the public an amendment was offered in the committee to make the duty $1.30 a hundred pounds. This would have saved the American consumers $70,000,000 from the $200,000,000 sugar tariff cost at the proposed rate of two cents.

Refused to Save Public $70,000,000 a Year

But the hard boiled tariff makers would not listen to such a benefit for the public as cutting their sugar bills $70,000,000 a year; and they voted that amendment down, six to three. Then they voted down an amendment to make the duty $1.40 a hundred pounds and save American sugar consumers $60,000,000 a year out of the proposed tax of $200,000,000. And then they voted down an amendment to make it a cent and a half a pound and save the American sugar consumers $50,000,000.

At last, after very bitter opposition by some members of the committee to ruthless pillage of the American sugar consumer, a duty of $1.60 a hundred pounds was voted five to four. Even then the hard boiled tariff makers could not reconcile themselves to letting the American sugar consumers off $40,000,000 of the proposed $200,000,000 sugar tax. On the very day before the McCumber tariff bill was reported to the Senate still another effort was made to drive the rate on Cuban sugar up to two cents a pound, but this was defeated, although only by the narrow vote of five to four.

The hard boiled tariff makers are not yet willing to let the American public escape with a sugar tax of $160,000,000 a year instead of $200,000,000. They want to put the Cuban rate up to two cents a pound and the total tax on American sugar consumers up to $200,000,000 a year by forcing through an amendment on the floor of the Senate, with the aid of some of McCumber's Democratic shock troops.

Will Tax Consumers $200,000,000 a Year

When the sugar schedule comes up in the course of the Senate's voting on the 2,000 McCumber amendments to the Fordney tariff bill the American people will get that $40,000,000 a year more on the sugar tax and $200,000,000 a year in all if the hard boiled tariff makers have their way about it.

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